

EXHIBIT B

EXHIBIT B – Largest Secured Creditor

Ziegler Healthcare Fund I, L.P.
1040 Broad Street
Suite 103
Shrewsbury, NJ 07702

Collateral: All tangible and intangible assets of the Debtors on the attached Exhibit A from the underlying Security Agreement.

EXHIBIT A

The Collateral shall consist of all of Debtor's tangible and intangible property and all other tangible and intangible personal property and assets of Debtor wherever located, whether now owned or hereafter acquired, and any additions, replacements accessions or substitutions thereof, and all cash and non-cash proceeds and products thereof, including the following.

1. **Accounts.** All accounts arising from the business of Debtor, and all rights to payment from patients, residents, private insurers, and others arising from the business of Debtor, including rights to payment pursuant to Reimbursement Contracts, but not including rights to payment from Medicare and Medicaid programs or similar state or federal programs, boards, bureaus or agencies. "Accounts" shall also include the proceeds thereof (whether cash or noncash, moveable or immoveable, tangible or intangible) received from the sale, exchange, transfer, collection or other disposition or substitution thereof.
2. **Cash.** All money as such term is defined in the UCC, and, in any event, shall include, without limitation, all monies, cash, rights to deposit accounts or other items of legal tender obtained from or for use in connection with the business of Debtor, including, without limitation, all cash collected from government receivables, including Medicare, Medicaid and other government receivables (collectively, "**Cash**").
3. **Chattel Paper.** All chattel paper, as that term is defined in Article 9 of the Uniform Commercial Code ("**UCC**"), and includes, without limitation, a record or records (including, without limitation, electronic chattel paper) which evidence both a monetary obligation and a security interest in specific goods, a security interest in specific goods and software used in the goods, or a lease of specific goods; all Supporting Obligations (as defined below) with respect thereto; any returned, rejected or repossessed goods and software covered by any such record or records and all proceeds (in any form including, without limitation, accounts, contract rights, documents, chattel paper, instruments and general intangibles) of such returned, rejected or repossessed goods; and all proceeds (Cash proceeds and non-cash proceeds) of the foregoing, whether now or hereafter held by Debtor (collectively "**Chattel Paper**").
4. **Documents.** All documents, as that term is defined in Article 9 of the UCC (collectively, "**Documents**").
5. **Equipment.** All equipment, as that term is defined in Article 9 of the UCC, and, in any event, shall include, without limitation, all healthcare and diagnostic related equipment, all beds, linen, televisions, carpeting, telephones, cash registers, computers, lamps, glassware, rehabilitation equipment, restaurant and kitchen equipment, computers and other electronic data processing and other office equipment, and other fixtures and equipment of Lessee (including, without limitation, embedded software) located on, attached to or used or useful in connection with the business of Debtor and all renewals and replacements thereof and substitutions thereof, wherever located, together with all attachments, components, parts equipment and accessories installed thereon or affixed thereto, and all contracts, contract rights and Chattel Paper arising out of any lease of any

of the foregoing; provided, however, that with respect to any items which are leased for the benefit of the business of Debtor and not owned by Lessee, the Equipment shall include the leasehold interest only of Lessee together with any options to purchase any of said items and an additional or greater rights with respect to such items which Lessee may hereafter acquire, but the foregoing shall not be construed to mean that such leasing shall be permitted hereunder and under the Loan Documents (collectively, "Equipment").

6. **Fixtures**. All fixtures as such term is defined in Article 9 of the UCC ("**Fixtures**").
7. **General Intangibles**. All general intangibles as such term is defined in Article 9 of the UCC, and, in any event, shall include all right, title and interest which Debtor may now or hereafter have in or under any contract, all customer lists, trademarks, patent rights in intellectual property, interests in corporations, limited liability companies, partnerships, joint ventures, and other business associations, licenses, permits, copyrights, trade secrets, proprietary or confidential information, inventions (whether or not patented or patentable), technical information, procedures, designs, knowledge, know-how, software, data bases, data, skill, expertise, recipes, experience, processes, models, drawings, blueprints, catalogs, materials and records, permits and authorizations, unfilled customer purchase orders, goodwill (including, without limitation, the goodwill associated with any trademark, trademark registration or trademark licensed under any trademark license), claims in or under insurance policies, including unearned premiums commercial tort claims, other claims (including, without limitation, all claims for income tax and other refunds), payments intangibles and Supporting Obligations, uncertificated securities, deposit accounts, rights to receive tax refunds and other payments and right of indemnification (collectively, "**General Intangibles**").
8. **Goods**. All goods as such term is defined in Article 2 of the UCC ("**Goods**").
9. **Instruments**. All instruments, as such term is defined in Article 9 of the UCC, and, in any event, shall include any negotiable instrument or certificated security, as defined in Article 8 of the UCC, or any other writing which evidences a right to any payment owed to Debtor (collectively, "**Instruments**").
10. **Inventory**. All inventory, as such term is defined in Article 9 of the UCC, wherever located, and in any event, shall include all inventory, merchandise, goods and other personal property which are held by or on behalf of Debtor for sale or lease or are furnished or are to be furnished under a contract of service or which constitute raw materials, work in process or material used or consumed or to be used or consumed in the business of Debtor, or the processing, packaging, promotion, delivery or shipping of the same, and all finished goods, whether or not the same is in transit or in the constructive, actual or exclusive occupancy or possession of Debtor or is held by Debtor by others for Debtor's account, including, without limitation, all goods covered by purchase orders and contracts with suppliers and all goods billed and held by suppliers and all inventory which may be located on premises of Debtor or of any carriers, forwarding agents, truckers, warehousemen, vendors, selling agents or other Persons (collectively, "**Inventory**").

11. **Investment Property.** All property, as such term is defined in the UCC, and includes, without limitation, a security, whether certificated or uncertificated, security entitlement, securities account, commodity, or commodity account, and all proceeds (Cash proceeds and non-cash proceeds) of, and Supporting Obligations with respect to, the foregoing (collectively, "**Investment Property**").
12. **Leases.** All leases as such term is defined in the UCC, and in any event, shall include, without limitation, all present and future leases, subleases, licenses, concessions or grants or other possessory interests now or hereafter in force, whether oral or written, covering or affecting the Collateral and/or the business of Debtor, or any portion of the Collateral and/or the business of Debtor and all modifications, extensions or renewals thereof (collectively, "**Leases**").
13. **Permits.** All permits, as such term is defined in the UCC, and, in any event, shall include all licenses, permits and certificates used or necessary in connection with the operation, use or occupancy of the business of Debtor, including, without limitation, business licenses, state health department licenses, food service licenses, licenses to conduct business, certificates of need and all such other permits, licenses and rights, obtained from any governmental, quasi-governmental or private person or entity whatsoever concerning ownership, operation, use or occupancy (collectively, "**Permits**").
14. **Proceeds.** All proceeds as such term is defined in Article 9 of the UCC, and, in any event, shall include (a) any and all Chattel Paper, Instruments, Cash and other proceeds payable to Debtor from time to time in respect of any of the foregoing collateral security, (b) any and all proceeds of any insurance, indemnity, warrant or guaranty payable to Debtor from time-to-time with respect to any of the collateral security, (c) any and all payments (in any form whatsoever) made or due and payable to Debtor from time-to-time in connection with any requisition, confiscation, condemnation, seizure or forfeiture of all or any part of the collateral security by any governmental body, authority, bureau or agency (or any Person ("**Person**") acting under color of governmental authority), (d) any and all other amounts from time-to-time paid or payable under or in connection with any of the collateral security, (e) any proceeds from Accounts and Inventory, (f) any proceeds payable to Debtor from a sale of assets of Debtor or a Change in Control, as defined in the Loan Agreement, of Debtor, and (g) all proceeds, whether Cash or non-cash, moveable or immoveable, tangible or intangible, from the sale, conversion (whether voluntary or involuntary), exchange, transfer, collection, loss, damage, disposition, substitution or replacement of any of the Collateral (collectively, "**Proceeds**").
15. **Reimbursement Contracts.** All reimbursement contracts as such term is defined in the UCC, and in any event shall include all third-party reimbursement contracts which are now or hereafter in effect with respect to residents or patients qualifying for coverage under the same, including health maintenance organization, preferred provider organization, individual practice association, competitive medical plan, private insurance agreements, and any successor program or other similar reimbursement program and/or private insurance agreements, now or hereafter existing, but not including contracts with

Medicare, Medicaid or similar state or federal programs, board, bureaus or agencies (collectively, "**Reimbursement Contracts**").

16. **Supporting Obligation.** All supporting obligations as such term is defined in the UCC, and in any event shall include, without limitation, a letter-of-credit right, secondary obligation, or obligation of a secondary obligor, or secondary obligation that supports the payment or performance of an Account, Chattel Paper, a document, a General Intangible, an Instrument, or Investment Property (collectively, "**Supporting Obligation**").